United States Department of Agriculture

Forest Service Manti-La Sal N.F.

Reply to: 2810

Date: May 8, 1992

Subject: Henry 1 and 2 Gypsum mine, revised design

To: District Ranger, D1

We have reviewed the revised maps and operator responses to State requirements for the Henry 1 and 2 Gypsum mine. Pete Kilbourne also consulted with UDOGM representative, Holland Shephard to discuss Forest Service and DOGM roles regarding administration of this mining operation.

As the lead agency under the Memorandum of Understanding (MOU) with the State of Utah for locatable minerals operations, we are expected to transmit correspondence from the State to the operator, but we are not expected to enforce state requirements. The transmittal of this information is apparent by the operator's response to DOGM dated 2/27/92. We do not consider this response to constitute a plan modification, but it should be retained in the case file as documentation.

The State of Utah requires the operator provide a reclamation cost estimate for review. The operator's reclamation cost estimate for Henry 1 and 2 is considerably less than our bond calculation of \$33,000. Our bond calculation reflects costs to the government should the mine be abandoned before completion of mining. We will continue to bond using our calculation to protect Federal interests. According to Mr. Shepherd, this presents no problems to the State of Utah. If the State had determined the necessary bond amount to be greater than ours, they would bond the operator for the difference. Mr. Shepherd would like to coordinate a field review of the mine within the next month or two. Please advise us of a convenient date.

The revised maps show disturbance that is within the scope of the approved plan and are considered to be a minor amendment to the Plan of Operations not requiring additional analysis or formal approval.

/s/ Aaron L. Howe For GEORGE A. MORRIS Forest Supervisor

cc:
P.Kilbourne
Holland Shepherd

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DIVISION OF OIL GAS & MINING